

## Notice to Exel Composites Plc's Annual General Meeting 2020

EXEL COMPOSITES PLC      STOCK EXCHANGE RELEASE      18 FEBRUARY 2020 09:30 EET

Notice is given to the shareholders of Exel Composites Plc to the Annual General Meeting of Shareholders to be held on Friday 20 March 2020 at 10:00 at Radisson Blu Royal Hotel at the address Runeberginkatu 2, Helsinki, Finland. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 9:00.

### **A. Matters on the agenda of the Annual General Meeting and their course of procedure**

1. Opening of the meeting
2. Calling the meeting to order
3. Election of persons to scrutinize the minutes and to supervise the counting of votes
4. Recording the legality of the meeting
5. Recording the attendance at the meeting and adoption of the list of votes
6. Presentation of the financial statements, the consolidated financial statements, the Board of Directors' Report and the auditor's report for the year 2019  
Review by the President and CEO
7. Adoption of the financial statements and consolidated financial statements
8. Resolution on the disposal of the profit shown on the balance sheet and the payment of dividend  
The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.18 per share be paid based on the adopted financial statements for the financial year ended on 31 December 2019. The dividend would be paid to shareholders registered in the Company's shareholders' register maintained by Euroclear Finland Ltd. on the record date for dividend 24 March 2020. The Board of Directors proposes to the Annual General Meeting that the dividend be paid on 31 March 2020.
9. Resolution on the discharge of the members of the Board of Directors and the President and CEO from liability
10. Presentation and adoption of the Remuneration policy of Exel Composites  
The Remuneration Policy of Exel Composites is available at the company's website at [www.exelcomposites.com](http://www.exelcomposites.com).
11. Resolution on the remuneration of the members of the Board of Directors  
The Shareholders' Nomination Board elected by the Annual General Meeting of Exel Composites Plc proposes to the Annual General Meeting of 20 March 2020 that the annual remuneration for the Board members shall be as follows: yearly remuneration of EUR 43,000 (previous year EUR 41,000) for the Chairman of the Board of Directors and additionally EUR 1,500 (1,500) for attendance at Board and committee meetings and other similar all-day Board assignments, and the other Board members be paid a yearly remuneration of EUR 20,000 (19,000) and additionally EUR 1,000 (1,000) for attendance at Board and committee meetings and other similar all-day Board assignments. For committee meetings, the meeting fee for the committee chairman shall be EUR 1,500. The Nomination Board also proposes that travel expenses and other out-of-pocket expenses arising from the Board work be compensated in accordance with the Company's established practice and travel rules.  
Out of the yearly remuneration 60% would be paid in cash and 40% in Exel Composites Plc shares, which would be acquired directly for and on behalf of the members of the Board of Directors during 23 March - 14 April 2020 from the stock exchange market in amounts corresponding to EUR 17,200 for the Chairman and EUR 8,000 for each of the other members. The annual remuneration shall encompass the full term of office of the Board of Directors. If the required amount of shares cannot be acquired during the specified period in accordance with applicable rules and regulations, the part of yearly remuneration to be paid in shares which could not be acquired can be paid in cash. Should the term of any member of the Board of Directors come to an end for whatever reason before the next Annual General Meeting, such member of the Board of Directors will have to return to the Company the remuneration or equivalent amount in cash already received but not yet earned at that point in time.
12. Resolution on the number of members of the Board of Directors  
The Nomination Board proposes to the Annual General Meeting that the number of members of the

Board of Directors shall be confirmed to be five (5).

13. Election of members of the Board of Directors

The Nomination Board proposes to the Annual General Meeting to be held on 20 March 2020 that Mr Petri Helsky, Mr Reima Kerttula, Ms Helena Nordman-Knutson and Mr Jouko Peussa be re-elected as members of the Board of Directors for the term ending at the closure of the Annual General Meeting of 2021. The Nomination Board also proposes that Ms Kirsi Sormunen be elected as new member of the Board of Directors. Of the current Board of Directors' members, Ms Maija Strandberg (member since 2019) has informed that she is not available for re-election.

The Nomination Board further proposes Reima Kerttula to be elected as Chairman of the Board of Directors for the term ending at the closure of the Annual General Meeting of 2021.

All nominees are independent of the Company and its major shareholders, and have given their consent for the election.

14. Resolution on the remuneration of the auditor

The Board of Directors proposes that the auditor's compensation be paid against an invoice as approved by the Company.

15. Election of auditor

The Board of Directors proposes that the Company's present auditor, Ernst & Young Oy, Authorized Public Accountants, be re-elected as auditor of the Company for the term that will continue until the end of the next Annual General Meeting. The proposed auditor has given its consent for the election. Ernst & Young has announced Ms Johanna Winqvist-Ilkka, APA, to be the auditor with principal responsibility.

The Board of Directors has prepared its proposal in accordance with Art. 16 of the EU Audit Regulation (537/2014). As required by the EU Audit Regulation, the Board of Directors hereby confirms that its proposal is free from influence by a third party and that no clause of the kind referred to in paragraph 6 of Article 16 of the EU Audit Regulation, which would restrict the choice by the Annual General Meeting as regards the appointment of the auditor, has been imposed upon it.

16. Authorizing the Board of Directors to decide on the repurchase and/or on the acceptance as pledge of the company's own shares

The Board of Directors proposes to the General Meeting that the Board of Directors be authorized to decide on the repurchase and/or on the acceptance as pledge of the company's own shares as follows:

The amount of own shares to be repurchased and/or accepted as pledge on the basis of the authorization shall not exceed 600,000 shares in total, which corresponds to approximately 5.0 per cent of all the shares in the company. Only the unrestricted equity of the company can be used to repurchase own shares on the basis of the authorization.

Own shares can be repurchased at a price formed in public trading on the date of the repurchase or otherwise at a price formed on the market. The Board of Directors decides on how own shares will be repurchased and/or accepted as pledge. Shares can be repurchased using, inter alia, derivatives. Own shares can be repurchased otherwise than in proportion to the shareholdings of the existing shareholders (directed repurchase). The Board of Directors shall decide on other terms of the share repurchase and/or acceptance as pledge.

Shares may be repurchased to be used as consideration in possible acquisitions or in other arrangements that are part of the Company's business, to finance investments, as part of the Company's incentive program or to be retained, otherwise conveyed or cancelled by the Company. The authorization cancels the authorization given to the Board of Directors by the General Meeting on 21 March 2019 to decide on the repurchase and/or acceptance as pledge of the company's own shares.

The authorization is effective until the end of the next Annual General Meeting, however no longer than until 30 June 2021.

17. Changes to the charter of the Shareholders' Nomination Board

The Nomination Board proposes to the Annual General Meeting its Charter to be changed in line with the Finnish Corporate Governance Code effective as of 1 January 2020. The proposed main changes are:

- The tasks of the Nomination Board to include, in addition to current tasks, the successor planning of the Board of Directors' members.
- At least one member of the Board of Directors shall have expertise in accounting or audit.

In addition, the Shareholders' Nomination Board proposes some technical adjustments to the Charter. The Charter with the proposed amendments is available at the company's website at [www.exelcomposites.com](http://www.exelcomposites.com).

18. Closing of the Annual General Meeting

**B. Documents of the Annual General Meeting**

The proposals for the decisions on the matters on the agenda as well as this notice are available on Exel Composites' corporate website at [www.exelcomposites.com](http://www.exelcomposites.com). The annual financial report of

Exel Composites Plc, including the Company's financial statements, consolidated financial statements, the Board of Directors' report and the auditor's report, and the remuneration policy are available on the corporate website no later than 28 February 2020. The proposals for the decisions as well as the annual financial report are also available at the Annual General Meeting. The minutes of the Meeting will be available on the corporate website as of 3 April 2020.

### **C. Instructions for the participants in the Annual General Meeting**

1. Shareholders registered in the shareholders' register  
Each shareholder, who is registered on Tuesday 10 March 2020 in the shareholders' register of the Company held by Euroclear Finland Ltd., has the right to participate in the Annual General Meeting. A shareholder, whose shares are registered on his/her personal Finnish book-entry account, is registered in the shareholders' register of the Company.  
A shareholder, who is registered in the shareholders' register of the Company and who wants to participate in the Annual General Meeting, shall register for the meeting no later than Friday 13 March 2020 at 16:00 EET by giving a prior notice of participation to the Company, which shall be received by the Company no later than on the above-mentioned date and time. Such notice can be given either:  
a) on the Company's website [www.exelcomposites.com](http://www.exelcomposites.com); or  
b) by email to [investor@exelcomposites.com](mailto:investor@exelcomposites.com); or  
c) by telephone at +358 20 754 1350 from Monday to Friday between 9:00 and 16:00 EET; or  
d) by regular mail to the address Exel Composites Plc, Annual General Meeting, Mäkituvantie 5, 01510 Vantaa, Finland.  
In connection with the registration, a shareholder shall notify his/her name, personal identification number, address, telephone number and the name and personal identification number of a possible assistant or proxy representative. The personal data given to Exel Composites Plc is used only in connection with the Annual General Meeting and with processing of related registrations. The shareholder, his/her authorised representative or proxy representative shall, where necessary, be able to prove his/her identity and/or right of representation at the General Meeting.
2. Holders of nominee registered shares  
A holder of nominee registered shares has the right to participate in the Annual General Meeting by virtue of such shares, based on which he/she on the record date of the Annual General Meeting, i.e. on 10 March 2020, would be entitled to be registered in the shareholders' register of the Company held by Euroclear Finland Ltd. The right to participate in the Annual General Meeting requires, in addition, that the shareholder on the basis of such shares has been temporarily registered into the shareholders' register held by Euroclear Finland Ltd. at the latest by Tuesday 17 March 2020 at 10:00 EET. As regards nominee registered shares, this constitutes due registration for the Annual General Meeting.  
A holder of nominee registered shares is advised to request without delay necessary instructions regarding the temporary registration in the shareholders' register of the Company, the issuing of proxy documents and registration for the Annual General Meeting from his/her custodian bank. The account manager of the custodian bank has to register a holder of nominee registered shares, who wants to participate in the Annual General Meeting, temporarily into the shareholders' register of the Company at the latest by the time stated above.
3. Proxy representative and powers of attorney  
A shareholder may participate in the Annual General Meeting and exercise his/her rights at the meeting by way of proxy representation.  
A proxy representative shall produce a dated proxy document or otherwise in a reliable manner demonstrate his/her right to represent the shareholder at the Annual General Meeting. When a shareholder participates in the Annual General Meeting by means of several proxy representatives representing the shareholder with shares at different securities accounts, the shares by which each proxy representative represents the shareholder shall be identified in connection with the registration for the Annual General Meeting. A proxy template is available on Exel Composites' corporate website at [www.exelcomposites.com](http://www.exelcomposites.com).  
Possible proxy documents should be delivered to the address Exel Composites Plc, Annual General Meeting, Mäkituvantie 5, 01510 Vantaa, Finland, before the end of the registration period. The original proxy document should be presented at the general meeting at the latest, if required.
4. Other information  
The information concerning the Annual General Meeting required under the Companies Act and the Securities Market Act is available on the Company's website at [www.exelcomposites.com](http://www.exelcomposites.com) under Investors > Corporate Governance > Annual General Meeting or <https://www.exelcomposites.com/en-us/english/investor/en/corporategovernance/annualgeneralmeeting/annualgeneralmeeting2020.aspx>. Pursuant to Chapter 5, Section 25 of the Finnish Companies Act, a shareholder who is present at the Annual General Meeting has the right to request information with respect to the matters to be considered at the meeting.  
On the date of this notice to the Annual General Meeting, the total number of shares and votes in

Exel Composites Plc is 11,896,843. On the date of this notice, the company holds a total of 77,000 of its own shares. Changes in shareholding occurring after the record date of the Annual General Meeting will not affect the right to participate in the Annual General Meeting or the number of votes of such shareholder at the Annual General Meeting.

Vantaa, 18 February 2020

## **Exel Composites Plc**

Board of Directors and the Shareholders' Nomination Board

### **For further information, please contact:**

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### **Distribution**

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### ***Exel Composites in brief***

*Exel Composites, a global technology company headquartered in Finland, is the world's largest manufacturer of pultruded and pull-wound composite products. Our global manufacturing, R&D, and sales footprint serves customers across a broad range of industries and applications. With 60 years of composites experience and engineering expertise, we work closely with our customers to design and manufacture high quality composite products using carbon fiber, fiberglass, and other high-performance materials. Our composites help reduce weight, improve performance, and decrease total life cycle costs, all while helping increase energy efficiencies and supporting environmental sustainability.*

*Exel Composites employs approximately 650 innovative and customer-focused employees around the world and is listed on the Nasdaq Helsinki exchange. To find out more about our offering and company please visit [www.exelcomposites.com](http://www.exelcomposites.com).*